

MARKETBEAT

U.S. Industrial

Q3 2019



U.S. INDUSTRIAL

Employment Indicators

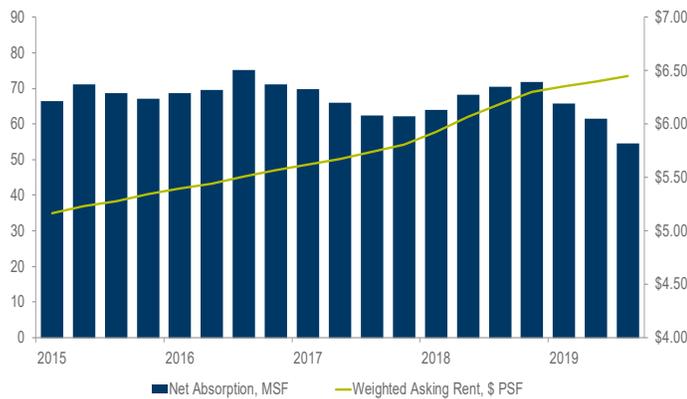
	Q3 18	Q3 19	12-Month Forecast
Total Nonfarm Employment	149.4M	151.5M	▲
Industrial Employment	32.7M	33.2M	▲
Unemployment	3.8%	3.7%	▲

Source: BLS

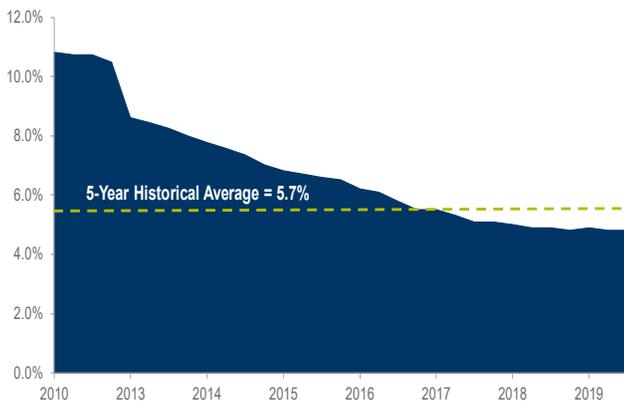
Market Indicators

	Q3 18	Q3 19	12-Month Forecast
Overall Vacancy	4.9%	4.8%	▲
Net Absorption	76.0M	48.7M	▲
Under Construction	290.3M	337.6M	■
Weighted Asking Rent (NNN)	\$6.36	\$6.57	▲
Rent Growth (Yr/Yr % Chg.)	7.2%	3.2%	▲

Net Absorption/Rent NNN 4-QTR TRAILING AVERAGE



Overall Vacancy



Source: Cushman & Wakefield Research

Demand Picks Up After Slow Start to the Year, Supply Ramping Up

On Pace for Another Strong Year: The U.S. industrial market absorbed 48.7 million square feet (msf) in the third quarter of 2019, bringing year-to-date (YTD) absorption to 148.4 msf and placing the market on a pace to surpass 200 msf for a sixth consecutive year—the longest period of that level of sustained demand on record. Throughout the current economic expansion, quarterly net absorption has averaged 48.8 msf, nearly identical to the current quarterly level. Net occupancy growth in 2019 has moderated from 2018’s all-time high, but it remains at elevated levels similar to those during the current expansion and at the height of the past two expansionary periods in 1997-1999 and 2005-2006.

Signs of Health: Another indication of a healthy industrial market is that new leasing activity remained strong in Q3 2019 totaling 123.4 msf with YTD leasing activity reaching 402.3 msf—up 2.2% from the same period in 2018. More than one-third of U.S. markets posted double-digit increases in new leasing activity on a year-over-year (YOY) basis, driven in large part by leasing among traditional and online retailers as well as third-party logistics providers.

Vacancy Remains Anchored at Historic Low: The U.S. industrial vacancy rate remained unchanged during the quarter, anchored at an all-time low of 4.8%—90 basis points below the five-year historical average of 5.7% for all product types. The tightest U.S. markets continued to be Savannah, Los Angeles, Orange County and Central New Jersey, all of which reported vacancy rates below 2.5% in Q3 2019. More broadly, vacancy rates have declined or held steady over the past year in 44 of the 79 markets tracked by Cushman & Wakefield.

Tight Conditions Supporting Rent Growth: Such tight market conditions and solid demand continue to support rent growth, especially among warehouse/distribution product where weighted average asking rents for logistics product has increased at more than twice the rate of overall industrial product over the past year. U.S. industrial asking rents increased 3.2% from the third quarter of 2018 to close the third quarter of 2019 at \$6.57 per square foot (psf); warehouse/distribution rents rose 8.3% during the same period to reach a new nominal high of \$5.90 psf. The West set the pace for overall industrial rent growth among the four census regions at 7.2% YOY; however, more than three quarters of the markets tracked reported growth in warehouse/distribution asking rents, with 15 markets posting double-digit gains. Among the logistics leaders for rent growth were Savannah, Oakland/East Bay, Salt Lake City, Las Vegas, Nashville, New Jersey and Indianapolis.

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Development Rising and Concentrated: In contrast to the previous nine years during which U.S. industrial demand outpaced supply by more than a half of a billion square feet, new supply is on track to outpace overall demand by about 70 msf in 2019. On a national basis, the amount of industrial product under construction grew by 16.8 msf during the third quarter of 2019, with the Midwest pipeline rising by 7.7 msf, the Northeast growing by 6.2 msf, the South increasing by 2.5 msf and the West remaining relatively unchanged with only a 358,000-sf increase in product under construction quarter-over-quarter.

Seven markets—Dallas/Fort Worth, the Inland Empire, the Pennsylvania I-81 & I-78 Distribution Corridor, Chicago, Houston, Atlanta and Indianapolis—have more than 10 msf under construction and account for 44% of the current pipeline. Considering these markets also account for more than 50% of net absorption in 2019, new supply remains largely concentrated in markets where demand has been consistently strong.

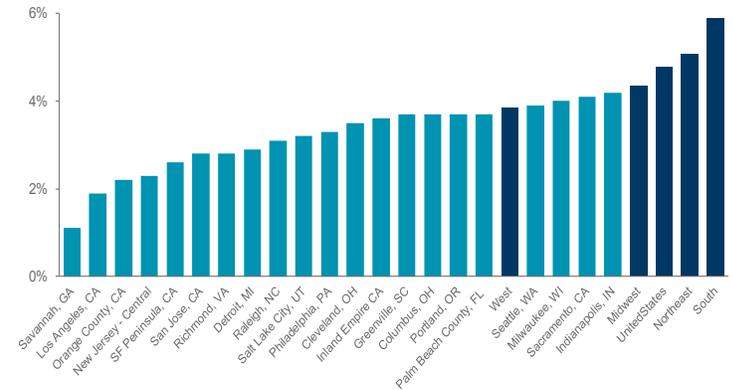
The Devil Is in the Detail: Currently there is 337.6 msf of industrial product under construction of which 254.1 msf is warehouse/distribution. This marks a record high both on an absolute square-foot basis and as a percentage of inventory—a better gauge to compare relative performance over time. Although the aggregate amount of warehouse/distribution space under construction is noteworthy, it is the composition of logistics supply that is most telling. Over a quarter of the logistics product under construction (72.5 msf) is comprised of build-to-suit projects with signed leases and tenants eagerly waiting to occupy upon completion. Of the remaining 181.6 msf of speculative warehouse/distribution product under construction, 72.3 msf (40%) is pre-leased—meaning that there is a total of 109.3 msf of speculative logistics space set to deliver in the coming three quarters. That is enough new supply to provide occupiers additional avenues for growth but not an amount capable of significantly altering deal leverage, derailing rent growth or undermining asset values. New supply and its composition will remain a key metric to watch in assessing the state of the market.

Outlook

- Net absorption is forecasted to be 200 msf in 2019 and thus a sixth consecutive year with net occupancy growth recorded in all regions and all product types.
- Supply will outpace demand with construction of 500,000-square-foot product concentrated in primary industrial markets, with the biggest YOY growth in supply in the 100,000-to-300,000-square foot segment.
- New supply will place upward pressure on headline vacancy with the rate rising 10-to-20 basis points—to between 4.9% and 5.0% by year-end 2019.
- Asking rents will continue to reach new nominal highs, but new supply and more modest demand will be headwinds that moderate the pace of overall rent growth.

Vacancy Anchored Near Historic Lows

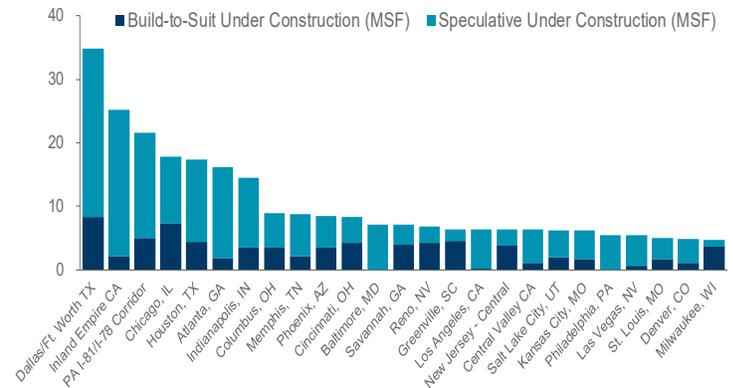
LIMITED AVENUES FOR GROWTH IN MANY MARKETS



Source: Cushman & Wakefield Research

Supply Is Growing

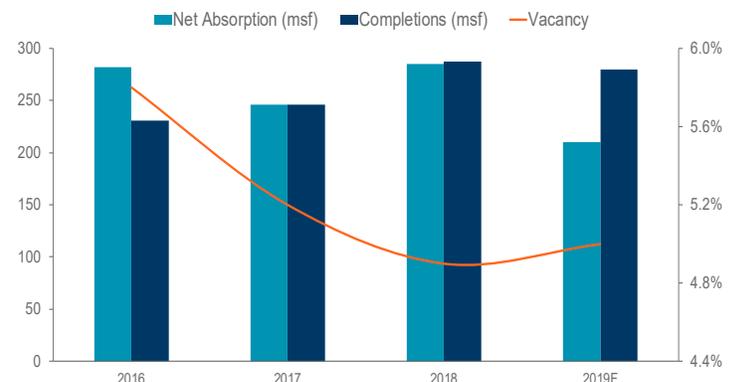
Q3 2019 UNDER CONSTRUCTION BY TYPE



Source: Cushman & Wakefield Research

Moderating But Solid Growth Ahead

U.S. INDUSTRIAL SECTOR FUNDAMENTALS



Source: Cushman & Wakefield Research

Demand Indicators (Overall)	Net Absorption					Leasing Activity	
	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p	
United States	76,048,092	70,105,867	38,604,452	61,070,170	48,712,785	123,361,346	
Northeast	9,872,241	5,937,597	4,015,053	10,897,937	162,862	12,792,471	
Midwest	11,747,971	18,140,817	11,838,366	14,858,985	17,210,840	26,900,450	
South	30,805,975	30,566,874	15,526,854	20,858,142	21,439,281	38,691,897	
West	23,621,905	15,460,579	7,224,179	14,455,106	9,899,802	44,976,528	

U.S. Industrial Markets	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p
Atlanta, GA	7,111,993	5,495,251	740,245	4,076,879	6,823,295	5,420,667
Austin, TX	33,372	222,275	-121,290	-185,327	75,676	516,733
Baltimore, MD	1,207,521	143,512	225,419	698,647	1,051,493	2,031,618
Binghamton, NY	-137,442	205,987	31,000	205,362	27,162	24,982
Birmingham, AL	296,795	215,434	21,430	213,071	-164,295	163,341
Boston, MA	-286,481	425,794	-209,445	769,202	-345,929	1,240,994
Buffalo, NY	361,972	-616,508	-242,919	-441,427	-886,758	137,474
Central Valley, CA	2,677,005	-1,702,973	2,228,045	315,512	909,073	2,286,889
Charleston, SC	1,298,366	910,071	829,993	250,294	-183,317	488,413
Charlotte, NC	936,141	682,510	-214,665	18,520	1,282,024	1,676,395
Chicago, IL	3,018,145	3,958,387	3,354,974	3,265,498	6,770,524	10,681,162
Cincinnati, OH	1,756,119	1,289,395	232,929	599,455	668,457	1,457,096
Cleveland, OH	-682,362	908,040	1,659,071	-149,164	-249,371	1,764,209
Colorado Springs, CO	351,356	225,427	313,706	32,524	190,082	185,847
Columbus, OH	739,775	2,604,046	2,109,294	2,419,991	1,618,288	3,038,501
Dallas/Ft. Worth, TX	4,758,858	7,012,973	6,229,383	5,668,714	5,799,408	11,192,857
Denver, CO	1,421,289	3,104,987	198,320	651,935	564,200	2,355,275
Detroit, MI	561,905	3,750,620	74,921	-1,392,748	1,253,079	2,183,551
El Paso, TX	2,022,370	1,637,420	-833,998	535,971	-135,405	316,613
Fort Myers/Naples, FL	-368,600	301,776	119,791	135,368	147,102	231,276
Fredericksburg, VA	5,401	13,894	164,479	12,880	23,267	110,197
Ft. Lauderdale, FL	740,788	-296,756	370,484	-59,686	-21,270	951,796
Greenville, SC	1,868,143	465,341	2,611,504	-288,684	253,262	1,041,645
Hampton Roads, VA	-338,584	75,511	-388,112	219,304	-278,953	126,044
Hartford, CT	-1,363,863	2,338,553	100,699	468,515	-214,276	279,212
Houston, TX	1,905,652	1,365,054	477,638	2,219,187	-412,806	2,577,322
Indianapolis, IN	4,440,828	1,593,727	1,303,924	2,155,861	4,057,673	2,773,127
Inland Empire CA	8,996,418	5,869,250	2,075,345	6,692,060	8,090,218	10,250,615
Jacksonville, FL	4,171	695,185	30,460	242,537	810,280	712,926
Kansas City, MO	805,447	2,272,848	1,193,262	3,356,891	942,786	1,858,997
Lakeland, FL	240,843	534,577	-55,790	235,500	369,610	1,047,519
Las Vegas, NV	677,193	1,382,667	2,223,456	258,211	178,623	1,495,001
Long Island, NY	-462,724	-706,718	98,135	167,761	-121,483	710,630
Los Angeles, CA	1,860,620	-511,297	-643,202	-424,022	-1,641,019	6,507,445
Louisville, KY	2,034,662	2,627,307	1,392,888	767,718	844,466	895,211
Memphis, TN	1,341,348	1,970,332	1,279,795	2,343,677	0	0
Miami, FL	1,093,873	233,183	720,936	803,791	438,932	3,324,955
Milwaukee, WI	79,061	-147,195	1,158,275	1,385,190	19,016	307,262
Minneapolis, MN	560,618	673,576	549,778	890,684	607,036	1,410,695
Nashville, TN	1,238,630	726,010	877,979	1,287,550	3,743,946	1,558,624

Demand Indicators (Overall)	Net Absorption					Leasing Activity
	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p
New Haven, CT	208,046	327,445	-73,539	34,631	-71,398	112,629
New Jersey - Central	5,446,125	387,392	526,776	4,765,095	903,094	2,622,244
New Jersey - Northern	370,317	44,971	1,726,907	-1,139,221	368,754	1,736,856
Northern VA	335,388	92,223	251,144	300,643	133,026	167,102
NY Outer Boroughs	648,312	977,500	-537,586	-118,594	113,453	505,372
Oakland/East Bay, CA	-99,908	685,184	-743,090	-204,191	-766,852	3,747,137
Omaha, NE	-53,388	141,772	-61,480	289,788	186,634	263,300
Orange County, CA	382,274	309,866	-1,333,066	260,081	333,951	2,234,033
Orlando, FL	453,619	819,109	141,766	-402,793	325,577	1,110,764
Palm Beach County, FL	34,941	-23,294	-125,847	8,096	23,233	644,902
PA I-81/I-78 Distribution Corridor	3,996,542	1,492,731	1,067,698	4,193,294	273,021	3,519,086
Philadelphia, PA	344,141	391,994	1,885,452	1,349,160	111,035	925,046
Phoenix, AZ	2,212,260	1,069,587	1,953,754	2,739,524	2,015,455	4,783,148
Pittsburgh, PA	3,488	168,921	-645,815	-80,187	-112,261	335,479
Portland, OR	2,385,618	254,394	-747,880	-691,681	-709,309	1,252,271
Providence, RI	61,684	53,000	115,887	51,793	20,300	20,300
Puget Sound - Eastside	391,358	226,472	101,442	1,033,943	162,307	874,325
Raleigh/Durham, NC	129,296	250,515	-310,477	424,653	42,187	103,567
Reno, NV	246,315	793,500	1,459,358	238,586	861,882	1,010,725
Richmond, VA	1,143,214	444,632	169,524	497,038	13,678	208,605
Roanoke, VA	54,719	486,982	98,424	81,846	-150,333	8,457
Rochester, NY	981,275	547,631	226,986	326,122	58,401	17,265
Sacramento, CA	376,574	32,449	137,640	-39,551	71,912	979,548
Salt Lake City, UT	715,280	2,265,732	116,375	-40,221	314,886	1,122,676
San Antonio, TX	79,690	647,238	160,732	-240,183	-550,766	346,254
San Diego, CA	513,371	336,139	165,130	777,177	-373,181	1,030,239
San Francisco North Bay, CA	72,405	-322,978	174,076	-32,131	-192,985	170,640
San Francisco Peninsula, CA	-134,821	84,934	-115,042	-396,594	-19,613	231,919
San Jose (Silicon Valley), CA	-255,099	150,692	-452,803	247,299	114,186	726,647
Savannah, GA	0	2,144,943	-363,750	-66,066	0	0
Seattle, WA	577,153	1,200,974	170,919	1,832,075	23,010	3,511,496
Southern New Hampshire	-194,820	-129,135	-7,035	90,808	192,267	296,646
St. Louis, MO	521,823	1,095,601	263,418	2,037,539	1,336,718	1,162,550
St. Petersburg/Clearwater, FL	-226,116	135,751	220,938	-508,807	-121,583	250,518
Suburban MD	388,158	306,144	154,166	-37,130	4,653	215,360
Syracuse, NY	-104,331	28,039	-48,148	255,623	-152,520	308,256
Tampa, FL	911,499	265,156	246,229	913,971	526,631	931,474
Tucson, AZ	255,244	5,573	-58,304	1,204,570	-227,024	220,652
Tulsa, OK	69,824	-33,385	405,436	690,963	726,263	320,742

p = preliminary

Overall Vacancy Rate	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p
United States	4.9%	4.8%	4.9%	4.8%	4.8%
Northeast	5.3%	5.2%	5.4%	5.1%	5.1%
Midwest	4.9%	4.7%	4.6%	4.5%	4.3%
South	5.9%	5.8%	6.1%	6.1%	5.9%
West	3.5%	3.6%	3.7%	3.6%	3.8%

U.S. Industrial Markets	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p
Atlanta, GA	7.9%	7.7%	8.7%	8.9%	7.1%
Austin, TX	7.1%	7.3%	8.2%	8.0%	7.7%
Baltimore, MD	7.3%	7.2%	7.1%	6.9%	6.5%
Binghamton, NY	10.5%	10.3%	10.3%	9.2%	9.2%
Birmingham, AL	9.8%	8.2%	8.0%	6.7%	7.6%
Boston, MA	6.7%	6.8%	7.1%	6.9%	6.6%
Buffalo, NY	9.2%	9.4%	9.6%	9.5%	10.2%
Central Valley, CA	4.1%	5.8%	5.9%	5.7%	6.0%
Charleston, SC	7.7%	7.3%	6.1%	5.8%	6.6%
Charlotte, NC	4.4%	6.3%	6.3%	6.6%	5.4%
Chicago, IL	6.0%	5.5%	5.5%	5.0%	4.9%
Cincinnati, OH	2.9%	3.0%	3.0%	3.8%	4.4%
Cleveland, OH	3.9%	3.4%	3.5%	3.7%	3.5%
Colorado Springs, CO	6.6%	5.9%	5.9%	6.1%	6.3%
Columbus, OH	5.4%	4.5%	4.6%	4.1%	3.7%
Dallas/Ft. Worth, TX	6.9%	7.1%	7.0%	6.9%	6.7%
Denver, CO	5.0%	4.7%	5.1%	5.0%	5.9%
Detroit, MI	3.2%	2.9%	2.8%	3.0%	2.9%
El Paso, TX	7.4%	6.9%	7.6%	6.0%	6.6%
Fort Myers/Naples, FL	2.7%	2.7%	2.8%	2.9%	2.9%
Fredericksburg, VA	7.0%	7.6%	6.2%	7.3%	6.2%
Ft. Lauderdale, FL	3.1%	3.2%	3.1%	3.4%	4.3%
Greenville, SC	4.8%	4.5%	4.4%	4.2%	3.7%
Hampton Roads, VA	4.2%	4.1%	3.9%	3.1%	3.2%
Hartford, CT	6.8%	6.0%	5.6%	5.4%	4.0%
Houston, TX	6.4%	6.2%	7.3%	7.3%	7.7%
Indianapolis, IN	4.7%	4.9%	4.6%	4.6%	4.2%
Inland Empire CA	3.9%	3.8%	4.0%	3.6%	3.6%
Jacksonville, FL	3.0%	2.3%	2.4%	3.6%	5.0%
Kansas City, MO	6.7%	7.0%	6.6%	6.4%	6.1%
Lakeland, FL	3.8%	3.8%	4.2%	5.7%	7.4%
Las Vegas, NV	4.2%	3.4%	3.0%	3.1%	5.2%
Long Island, NY	5.1%	5.6%	5.2%	4.8%	4.6%
Los Angeles, CA	1.4%	1.5%	1.6%	1.7%	1.9%
Louisville, KY	5.9%	5.7%	5.2%	5.3%	5.0%
Memphis, TN	6.3%	6.0%	5.2%	5.5%	5.5%
Miami, FL	3.6%	3.7%	4.5%	3.9%	4.2%
Milwaukee, WI	4.2%	4.6%	4.2%	4.0%	4.0%
Minneapolis, MN	7.9%	8.2%	8.2%	8.0%	7.6%
Nashville, TN	3.9%	3.6%	4.8%	4.5%	4.2%

Overall Vacancy Rate	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p
New Haven, CT	6.9%	4.9%	4.6%	4.5%	4.7%
New Jersey - Central	2.8%	2.6%	3.1%	2.4%	2.3%
New Jersey - Northern	4.1%	4.0%	4.0%	4.5%	4.3%
Northern VA	8.6%	8.6%	7.8%	7.5%	7.3%
NY Outer Boroughs	5.8%	5.0%	5.5%	5.9%	5.2%
Oakland/East Bay, CA	4.1%	4.2%	4.5%	4.9%	5.4%
Omaha, NE	2.8%	2.7%	2.9%	3.1%	2.6%
Orange County, CA	1.7%	1.8%	2.4%	2.3%	2.2%
Orlando, FL	5.2%	4.7%	4.9%	6.6%	7.1%
Palm Beach County, FL	2.8%	3.3%	3.5%	3.4%	3.7%
PA I-81/I-78 Distribution Corridor	6.3%	6.5%	7.6%	6.7%	7.1%
Philadelphia, PA	3.1%	4.4%	3.6%	2.7%	3.3%
Phoenix, AZ	7.3%	7.4%	7.0%	6.7%	6.9%
Pittsburgh, PA	6.5%	5.5%	6.3%	6.1%	6.1%
Portland, OR	3.4%	3.0%	3.5%	3.5%	3.7%
Providence, RI	0.4%	0.3%	0.1%	0.1%	0.1%
Puget Sound - Eastside	3.9%	3.6%	3.4%	2.3%	3.1%
Raleigh/Durham, NC	4.8%	4.4%	4.8%	4.1%	3.1%
Reno, NV	6.0%	6.0%	5.4%	5.2%	6.3%
Richmond, VA	4.2%	4.2%	3.4%	2.7%	2.8%
Roanoke, VA	6.6%	5.8%	5.5%	5.6%	6.1%
Rochester, NY	8.3%	7.6%	7.3%	6.9%	6.8%
Sacramento, CA	4.8%	4.5%	3.9%	4.1%	4.1%
Salt Lake City, UT	2.3%	2.8%	2.1%	2.4%	3.2%
San Antonio, TX	9.0%	7.9%	7.3%	7.0%	8.4%
San Diego, CA	5.0%	5.4%	5.4%	5.3%	5.0%
San Francisco North Bay, CA	2.5%	4.3%	4.5%	4.6%	5.2%
San Francisco Peninsula, CA	2.6%	2.4%	2.0%	2.8%	2.6%
San Jose (Silicon Valley), CA	2.8%	2.6%	3.1%	3.0%	2.8%
Savannah, GA	0.6%	0.5%	1.1%	1.1%	1.1%
Seattle, WA	4.0%	4.2%	4.3%	4.0%	3.9%
Southern New Hampshire	8.2%	8.0%	7.9%	7.6%	7.5%
St. Louis, MO	6.1%	5.6%	5.9%	5.8%	4.9%
St. Petersburg/Clearwater, FL	4.0%	3.5%	4.6%	5.6%	6.5%
Suburban MD	8.2%	7.8%	7.8%	7.8%	7.8%
Syracuse, NY	8.0%	7.6%	7.6%	6.9%	7.3%
Tampa, FL	5.5%	5.3%	6.0%	6.9%	7.0%
Tucson, AZ	5.7%	5.7%	5.8%	5.1%	6.1%
Tulsa, OK	2.7%	2.9%	3.9%	2.9%	2.7%

p = preliminary

Weighted Average Asking Rent	Overall (All Property Types)					W/D	MFG
	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p	
United States	\$6.36	\$6.36	\$6.39	\$6.47	\$6.57	\$5.90	\$6.65
Northeast	\$8.09	\$7.93	\$7.51	\$7.73	\$7.58	\$7.58	\$5.20
Midwest	\$4.88	\$4.86	\$4.93	\$4.96	\$4.96	\$4.60	\$4.71
South	\$5.58	\$5.50	\$5.51	\$5.56	\$5.67	\$5.01	\$5.16
West	\$8.49	\$8.62	\$8.86	\$9.02	\$9.10	\$8.14	\$10.36

U.S. Industrial Markets	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p	
Atlanta, GA	\$5.04	\$4.47	\$4.60	\$4.61	\$4.96	\$4.18	\$8.84
Austin, TX	\$10.37	\$10.43	\$10.03	\$10.16	\$10.28	\$7.88	\$9.10
Baltimore, MD	\$5.54	\$5.63	\$5.51	\$5.93	\$6.06	\$5.43	N/A
Binghamton, NY	\$4.55	\$4.25	\$4.25	\$4.32	\$4.71	\$4.22	\$4.27
Birmingham, AL	\$4.26	\$4.30	\$4.35	\$4.53	\$4.48	\$4.05	N/A
Boston, MA	\$8.22	\$8.32	\$9.28	\$9.46	\$10.01	\$9.25	\$8.86
Buffalo, NY	\$4.13	\$4.13	\$4.13	\$4.13	\$4.13	\$4.25	\$3.95
Central Valley, CA	\$5.21	\$5.74	\$5.36	\$5.30	\$5.94	\$4.59	\$10.16
Charleston, SC	\$5.46	\$5.56	\$5.67	\$5.69	\$5.65	\$5.61	\$5.18
Charlotte, NC	\$5.30	\$5.52	\$5.42	\$5.50	\$5.54	\$5.07	\$4.22
Chicago, IL	\$5.34	\$5.37	\$5.48	\$5.44	\$5.42	\$5.07	\$4.98
Cincinnati, OH	\$4.27	\$4.26	\$4.38	\$4.42	\$4.34	\$4.26	\$3.36
Cleveland, OH	\$4.12	\$4.09	\$4.28	\$4.36	\$4.23	\$3.93	N/A
Colorado Springs, CO	\$8.57	\$8.56	\$9.27	\$9.51	\$9.47	\$9.18	\$8.77
Columbus, OH	\$3.60	\$3.67	\$3.71	\$3.74	\$3.78	\$3.78	N/A
Dallas/Ft. Worth, TX	\$5.12	\$5.04	\$5.19	\$5.18	\$5.19	\$4.29	\$3.87
Denver, CO	\$8.02	\$8.34	\$8.71	\$8.61	\$8.70	\$7.21	\$8.72
Detroit, MI	\$6.09	\$6.08	\$6.04	\$6.20	\$6.28	\$5.79	\$5.31
El Paso, TX	\$4.25	\$4.50	\$4.01	\$3.84	\$4.35	\$4.35	\$4.60
Fort Myers/Naples, FL	\$7.99	\$8.19	\$8.59	\$8.78	\$8.72	\$8.08	\$9.29
Fredericksburg, VA	\$5.69	\$5.42	\$5.59	\$5.70	\$5.66	\$5.85	\$4.92
Ft. Lauderdale, FL	\$8.73	\$9.75	\$10.10	\$10.01	\$9.80	\$9.39	\$9.57
Greenville, SC	\$3.63	\$3.67	\$3.71	\$3.70	\$3.86	\$3.84	\$3.79
Hampton Roads, VA	\$5.67	\$5.61	\$5.50	\$5.55	\$5.67	\$5.65	\$5.33
Hartford, CT	\$4.88	\$5.18	\$5.23	\$5.35	\$5.34	\$5.35	\$5.23
Houston, TX	\$6.22	\$6.25	\$6.15	\$6.23	\$6.07	\$5.80	\$6.22
Indianapolis, IN	\$3.99	\$3.95	\$3.96	\$4.23	\$4.38	\$4.08	\$3.72
Inland Empire CA	\$7.92	\$8.07	\$8.20	\$8.45	\$8.19	\$7.90	\$8.57
Jacksonville, FL	\$5.21	\$5.10	\$5.40	\$5.11	\$4.75	\$4.40	\$4.92
Kansas City, MO	\$4.38	\$4.26	\$4.28	\$4.33	\$4.40	\$4.05	\$4.05
Lakeland, FL	\$5.68	\$5.38	\$5.30	\$5.17	\$5.18	\$5.10	\$10.00
Las Vegas, NV	\$6.96	\$7.32	\$7.56	\$8.04	\$8.76	\$8.28	\$7.68
Long Island, NY	\$10.81	\$10.99	\$11.05	\$10.21	\$9.81	\$9.35	\$10.94
Los Angeles, CA	\$10.05	\$10.43	\$10.70	\$10.80	\$10.95	\$10.32	\$10.55
Louisville, KY	\$3.94	\$4.06	\$4.18	\$4.22	\$4.21	\$4.11	\$3.55
Memphis, TN	\$3.22	\$3.08	\$3.21	\$3.22	\$3.22	\$3.09	\$3.39
Miami, FL	\$7.55	\$7.57	\$7.86	\$7.93	\$7.89	\$7.57	\$8.13
Milwaukee, WI	\$4.63	\$4.60	\$4.57	\$4.53	\$4.48	\$4.35	\$4.27
Minneapolis, MN	\$4.94	\$4.97	\$5.02	\$5.02	\$5.04	\$4.72	N/A
Nashville, TN	\$4.80	\$4.32	\$4.40	\$4.67	\$4.83	\$5.39	\$2.74

Weighted Average Asking Rent	Overall (All Property Types)					W/D	MFG
	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019p	Q3 2019p	
New Haven, CT	\$5.31	\$6.04	\$6.11	\$6.15	\$6.14	\$4.99	\$6.06
New Jersey - Central	\$8.87	\$8.24	\$8.48	\$9.66	\$9.49	\$8.35	\$7.03
New Jersey - Northern	\$8.67	\$8.65	\$9.13	\$9.06	\$9.18	\$9.14	\$7.93
Northern VA	\$11.80	\$11.94	\$11.91	\$11.54	\$11.57	\$8.99	N/A
NY Outer Boroughs	\$18.64	\$19.12	\$18.81	\$18.44	\$18.18	\$17.81	N/A
Oakland/East Bay, CA	\$11.50	\$11.43	\$11.10	\$11.19	\$10.77	\$10.10	\$11.86
Omaha, NE	\$5.72	\$5.79	\$5.41	\$5.41	\$6.21	\$6.14	\$5.04
Orange County, CA	\$11.94	\$11.06	\$11.01	\$10.99	\$11.21	\$10.47	\$11.84
Orlando, FL	\$6.88	\$7.02	\$7.00	\$6.92	\$6.74	\$5.96	\$7.23
Palm Beach County, FL	\$10.12	\$10.57	\$10.01	\$10.27	\$10.38	\$9.44	\$9.32
PA I-81/I-78 Distribution Corridor	\$4.88	\$4.85	\$4.82	\$4.81	\$4.78	\$4.79	\$4.50
Philadelphia, PA	\$4.96	\$5.37	\$5.28	\$5.39	\$5.44	\$5.58	\$4.93
Phoenix, AZ	\$6.83	\$6.45	\$6.90	\$6.89	\$7.10	\$5.47	\$8.15
Pittsburgh, PA	\$8.88	\$8.96	\$7.21	\$7.57	\$7.63	\$5.46	\$3.44
Portland, OR	\$8.67	\$8.64	\$8.48	\$8.71	\$9.11	\$7.75	\$8.85
Providence, RI	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.70	N/A
Puget Sound - Eastside	\$11.14	\$11.68	\$12.49	\$11.53	\$11.71	\$8.73	\$8.56
Raleigh/Durham, NC	\$8.64	\$8.57	\$7.96	\$7.65	\$7.58	\$5.97	\$6.11
Reno, NV	\$4.80	\$4.56	\$4.68	\$4.68	\$4.80	\$4.56	\$4.92
Richmond, VA	\$4.89	\$4.71	\$4.72	\$4.81	\$4.86	\$4.86	\$4.36
Roanoke, VA	\$5.18	\$5.51	\$5.00	\$5.11	\$4.42	\$4.15	\$6.51
Rochester, NY	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$4.00	\$4.75
Sacramento, CA	\$6.07	\$6.96	\$7.91	\$8.06	\$8.25	\$8.14	\$10.50
Salt Lake City, UT	\$5.64	\$5.76	\$5.76	\$6.21	\$6.00	\$5.76	\$4.92
San Antonio, TX	\$6.14	\$6.04	\$6.09	\$5.98	\$6.01	\$5.00	\$10.90
San Diego, CA	\$12.84	\$13.32	\$13.20	\$13.56	\$14.04	\$11.64	\$13.20
San Francisco North Bay, CA	\$12.93	\$12.47	\$12.87	\$13.23	\$14.00	\$13.23	\$15.48
San Francisco Peninsula, CA	\$16.49	\$16.44	\$17.90	\$18.13	\$19.47	\$18.56	\$22.53
San Jose (Silicon Valley), CA	\$12.96	\$13.56	\$13.56	\$14.04	\$14.52	\$12.12	\$18.24
Savannah, GA	\$4.91	\$4.98	\$4.72	\$4.83	\$4.83	\$4.58	N/A
Seattle, WA	\$8.90	\$9.48	\$9.19	\$9.25	\$9.05	\$8.84	\$6.38
Southern New Hampshire	\$5.78	\$5.57	\$5.58	\$5.59	\$5.57	\$4.82	\$5.35
St. Louis, MO	\$4.96	\$4.88	\$4.95	\$5.00	\$4.81	\$4.54	\$4.42
St. Petersburg/Clearwater, FL	\$8.05	\$8.61	\$8.15	\$8.00	\$8.16	\$6.50	\$5.95
Suburban MD	\$9.66	\$9.57	\$9.34	\$9.52	\$9.82	\$8.09	N/A
Syracuse, NY	\$3.88	\$4.13	\$4.19	\$4.54	\$4.53	\$4.85	\$4.14
Tampa, FL	\$6.24	\$6.63	\$6.49	\$6.48	\$6.46	\$5.56	\$4.98
Tucson, AZ	\$6.14	\$5.95	\$6.06	\$6.22	\$6.35	\$6.11	\$5.31
Tulsa, OK	\$4.77	\$4.77	\$4.83	\$4.99	\$5.01	\$5.48	\$4.32

p = preliminary

Inventory	Inventory	Deliveries YTD 2019	Under Construction as of Q3 2019p
United States	14,956,453,537	204,542,987	337,558,781
Northeast	2,204,024,809	18,840,997	39,794,868
Midwest	3,975,437,588	50,061,987	73,702,644
South	4,588,038,913	84,707,413	140,913,205
West	4,188,952,227	50,932,590	83,148,064

U.S. Industrial Markets	Inventory	Deliveries YTD 2019	Under Construction as of Q3 2019p
Atlanta, GA	620,905,642	14,489,097	16,126,347
Austin, TX	42,909,433	1,602,310	1,450,057
Baltimore, MD	210,801,866	317,110	7,151,720
Binghamton, NY	17,483,455	0	0
Birmingham, AL	14,570,638	780,000	2,750,000
Boston, MA	175,903,459	856,952	1,013,000
Buffalo, NY	108,928,082	45,000	392,122
Central Valley, CA	136,224,107	3,165,149	6,354,541
Charleston, SC	75,992,762	1,823,736	2,878,151
Charlotte, NC	193,781,120	3,429,140	2,129,338
Chicago, IL	1,225,916,774	14,886,367	17,761,214
Cincinnati, OH	294,064,331	6,465,356	8,334,787
Cleveland, OH	505,875,892	3,633,593	1,696,432
Colorado Springs, CO	34,127,430	99,960	0
Columbus, OH	258,909,521	5,442,941	8,991,150
Dallas/Ft. Worth, TX	764,694,486	13,505,790	34,893,437
Denver, CO	247,508,511	4,435,512	4,840,460
Detroit, MI	534,443,879	1,185,301	2,935,902
El Paso, TX	57,383,575	282,987	381,346
Fort Myers/Naples, FL	47,290,246	695,371	430,741
Fredericksburg, VA	13,700,527	30,000	35,000
Ft. Lauderdale, FL	91,943,536	1,424,929	1,919,314
Greenville, SC	205,549,532	2,281,501	6,394,231
Hampton Roads, VA	99,456,853	40,800	931,158
Hartford, CT	94,084,062	0	0
Houston, TX	449,002,391	10,583,701	17,317,080
Indianapolis, IN	272,308,206	5,975,399	14,507,046
Inland Empire CA	564,951,741	16,665,396	25,202,389
Jacksonville, FL	110,075,017	2,851,742	4,001,303
Kansas City, MO	226,106,809	3,879,073	6,166,619
Lakeland, FL	33,576,295	1,608,929	1,250,697
Las Vegas, NV	118,853,071	3,346,019	5,395,952
Long Island, NY	130,641,119	159,490	1,015,955
Los Angeles, CA	1,070,453,610	2,231,741	6,383,687
Louisville, KY	165,604,134	1,800,637	4,439,480
Memphis, TN	248,613,396	0	8,812,472
Miami, FL	160,700,541	1,575,456	4,599,456
Milwaukee, WI	203,638,218	1,864,499	4,764,031
Minneapolis, MN	115,106,697	2,170,001	2,590,481
Nashville, TN	218,064,193	7,304,916	3,276,271

Inventory	Inventory	Deliveries YTD 2019	Under Construction as of Q3 2019p
New Haven, CT	47,649,569	0	855,000
New Jersey - Central	353,427,203	5,189,238	6,359,817
New Jersey - Northern	286,882,047	974,770	1,786,354
Northern VA	62,442,439	216,835	139,000
NY Outer Boroughs	135,239,564	450,000	694,800
Oakland/East Bay, CA	208,803,336	1,101,010	4,501,108
Omaha, NE	89,627,420	619,905	1,006,269
Orange County, CA	278,159,148	232,354	597,871
Orlando, FL	123,887,185	3,178,480	3,574,606
Palm Beach County, FL	42,233,280	175,430	525,725
PA I-81/I-78 Distribution Corridor	291,795,848	7,667,202	21,514,400
Philadelphia, PA	151,005,619	2,931,792	5,447,000
Phoenix, AZ	325,533,674	6,864,650	8,541,192
Pittsburgh, PA	169,311,604	566,553	393,920
Portland, OR	202,445,029	1,262,702	1,761,368
Providence, RI	77,727,305	0	0
Puget Sound - Eastside	62,137,842	709,428	598,341
Raleigh/Durham, NC	52,069,290	120,000	300,000
Reno, NV	93,948,621	3,116,026	6,768,431
Richmond, VA	92,131,095	440,000	3,939,150
Roanoke, VA	51,930,136	0	0
Rochester, NY	73,551,473	0	0
Sacramento, CA	141,900,537	473,016	1,166,921
Salt Lake City, UT	140,439,999	2,763,925	6,227,206
San Antonio, TX	39,932,458	4,248,073	1,698,783
San Diego, CA	165,372,265	1,185,038	1,474,555
San Francisco North Bay, CA	31,418,617	246,200	110,392
San Francisco Peninsula, CA	41,422,374	0	0
San Jose (Silicon Valley), CA	85,416,338	190,000	1,164,990
Savannah, GA	65,797,801	6,954,315	7,103,510
Seattle, WA	195,961,130	1,685,330	1,901,660
Southern New Hampshire	47,859,057	0	0
St. Louis, MO	249,439,841	3,939,552	4,948,713
St. Petersburg/Clearwater, FL	43,421,153	64,675	0
Suburban MD	50,181,810	46,168	0
Syracuse, NY	42,535,343	0	322,500
Tampa, FL	79,913,442	2,835,285	2,152,898
Tucson, AZ	43,874,847	1,159,134	157,000
Tulsa, OK	59,482,641	0	311,934

p = preliminary

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The market statistics are calculated from a base building inventory made up of industrial properties deemed to be competitive in the local industrial markets. Generally, owner-occupied and federally-owned buildings are not included. Older buildings unfit for occupancy or ones that require substantial renovation before tenancy are generally not included in the competitive inventory. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. Sublet space still occupied by the tenant is not counted as available space. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.

Explanation of Terms

Total Inventory: The total amount of industrial space (in buildings of a predetermined size by market) that can be rented by a third party.

Overall Vacancy Rate: The amount of unoccupied space (new, relet, and sublet) expressed as a percentage of total inventory.

Absorption: The net change in occupied space between two points in time. (Total occupied space in the present quarter minus total occupied space from the previous quarter, quoted on a net, not gross, basis.)

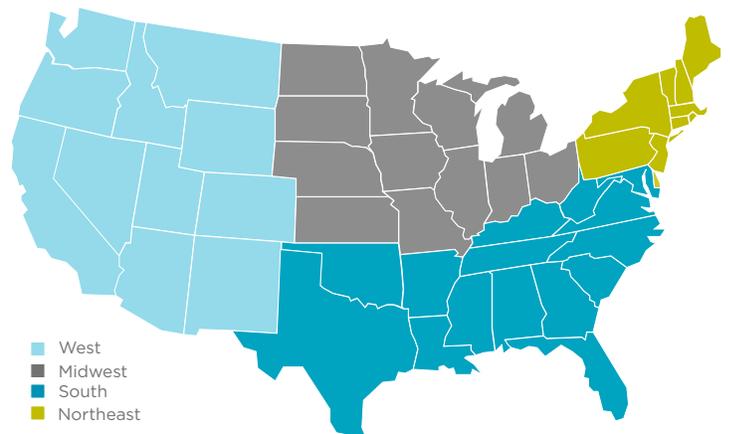
Leasing Activity: The sum of all leases over a period of time. This includes pre-leasing activity as well as expansions. It does not include renewals.

Overall Weighted Asking Rents: NNN average asking rents weighted by the amount of available direct and sublease space in industrial properties.

W/D: Warehouse and or distribution properties.

MFG: Manufacturing properties.

Regional Map



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